CLASSIFICATION SECRET
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INFORMATION REPORT

CD NO.

44430

COUNTRY Germany (Russian Zone)

DATE DISTR. 3 Mar 1949

SUBJECT Study of

Study of Effects of Western Blockade

upon Russian Zone Industry

NO. OF PAGES

PLACE ACQUIRED

SEPT. 1948

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hereby regraded to with the

NO. OF ENCLS.

SUPPLEMENT TO REPORT NO.

DATE OF INF

1. The German Economic Commission was requested by the SMA to make a thorough study of eastern-zone plants which, prior to the counter-blockade imposed by the Western Bowers, were entirely dependent for their raw materials upon deliveries from west Germany and from western Europe. For the present, the study is to be confined to crude iron, steel, and sulphuric acid.

- 2. The study, restricted to plants coming under the German Economic Commission (i.e., exclusive of a large group of SAGs), is to cover the period up to 31 December 1948, and contain the following data:
 - a. Figures on raw materials delivered.

b. Monthly production of the various plants.

c. Number of workers employed.

d. Total of wages paid.

Date: 15/05/18

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e. Damage suffered by plant through war action, expressed on a percentage basis.

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- f. Separate figures for raw materials shipped by Poland and Czechoslovakia since the start of the counter-blockade.
- g. Quantity of raw materials received from the western zones since the counter-blockade went into effect.
- 3. All information is to be based not on planning figures, but on figures of raw materials actually received and production achieved. The study in question must be accompanied by a similar statement for the year 1937, giving also the origin

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CENTRAL INTELLIGENCE AGENCY

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of raw materials and the capacity of the plants. It has been requested that the work be speeded up, so that by 15 February 1949 a clear picture may be available as to the effects of the counter-blockade upon industry in the Soviet Zone of Germany.

- 4. It is rumored that the Russians have been making a similar study of their own which is nearing completion and which was made for the purpose of coordinating the Soviet plans and the industrial capacities of the Soviet zone. The investigation, according to Russian authorities, is to serve as a preliminary study for the economic incorporation of eastern Germany into the economic system of eastern Europe.
- 5. The work has been intrusted to Minister Otto Falkenberg of the Department of Economics of Brandenburg who is authorized to call upon the Central Control Commission for any help he may need.
- 6. From now on, no news items whatsoever which deal with production and raw materials in the Soviet Zone may be published without being previously cleared through a special agency in the German Economic Commission.

s o Palita de Maria.